

NEWS RELEASE



For immediate release:
November 8, 2013

For more information
Ashley Jared: 515-725-4934

Eighteen Iowa Communities to save a total of \$1.1 million through State Revolving Fund Interest Rate Reduction

Cities of Adair, Alton, Boyden, Charles City, Corning, Kalona, Keystone, Lone Tree, Lovilia, North English, Primghar, Russell, Solon, Storm Lake, Sumner, Tipton, Traer and Wahpeton to Benefit

Des Moines, Iowa – The Iowa Finance Authority and the Iowa Department of Natural Resources recently announced that 18 Iowa communities with current State Revolving Fund loans for water quality initiatives will be saving a total of \$1.1 million in interest over the life of the loans as a result of their interest rate being reduced from 3% to 1.75%.

The State Revolving Fund is one of Iowa's primary sources for financing projects designed to improve Iowa's water quality. Two funds, one for drinking water and one for wastewater and pollution control, have provided low-cost financing worth more than \$2.1 billion to more than 500 Iowa communities as well as to farmers, watershed groups and others for water quality projects. The program is operated jointly through the Iowa Finance Authority and the Iowa Department of Natural Resources.

The State Revolving Fund recently reduced its interest rate on all new 20-year State Revolving Fund loans to 1.75%. Due to the success of the program, the rate reduction is being extended to all existing loans that are at least ten years old.

"The Iowa Finance Authority is proud to offer this interest rate reduction to these 18 communities. This opportunity to pass on such substantial savings is the result of recent growth of the program and careful financial management," said Iowa Finance Authority Executive Director Dave Jamison. "The respective savings ranges from approximately \$3,700 to nearly \$338,000, which we expect will have a significant positive impact on the resources available to help them meet the needs of their citizens."

"Iowa's State Revolving Fund has assisted more than 500 communities improve their drinking water and wastewater infrastructure," said Iowa Department of Natural Resources Director Chuck Gipp. "The program offers low-interest loans to help communities affordably build or update water facilities, resulting in lower water and sewer bills for Iowans."

Besides offering a low interest rate to finance water infrastructure projects, the SRF offers other benefits to Iowa communities. Borrowing through the SRF means communities incur lower up-front costs and aren't required to have a reserve. For more information on the State Revolving Loan program, visit IowaSRF.com.

The Iowa Legislature created The Iowa Finance Authority, the state's housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low- and moderate-income Iowans. IFA also administers the State Revolving Fund (SRF) in partnership with the Iowa Department of Natural Resources. The SRF assists communities with the costs of upgrading or constructing public wastewater and drinking water infrastructure projects.

(more)

Loan recipients receiving interest rate savings:

Borrower	County	Program	Savings over remaining life of loan
City of Adair	Adair/Guthrie	Clean Water	\$34,062.50
City of Alton	Sioux	Drinking Water	\$4,668.75
City of Boyden	Sioux	Clean Water	\$7,087.50
City of Charles City	Floyd	Clean Water	\$130,787.50
City of Corning	Adams	Clean Water	\$120,087.50
City of Kalona	Washington	Drinking Water	\$48,112.50
City of Keystone	Benton	Clean Water	\$6,118.75
City of Lone Tree	Johnson	Drinking Water	\$3,668.75
City of Lone Tree	Johnson	Drinking Water	\$4,968.75
City of Lovilia	Monroe	Clean Water	\$16,625.00
City of North English	Iowa/Keokuk	Drinking Water	\$9,825.00
City of Primghar	O'Brien	Clean Water	\$15,050.00
City of Russell	Lucas	Clean Water	\$13,687.50
City of Solon	Johnson	Clean Water	\$8,137.50
City of Storm Lake	Buena Vista	Drinking Water	\$337,900.00
City of Sumner	Bremer	Clean Water	\$130,981.25
City of Tipton	Cedar	Clean Water	\$140,812.50
City of Traer	Tama	Clean Water	\$3,812.50
City of Wahpeton	Dickinson	Drinking Water	\$68,193.75
			\$1,104,587.50

###